GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3395
ANSWERED ON:12.12.2014
FRAUDS COMMITTED BY E COMMERCE COMPANIES
Singh Shri Sunil Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is receiving complaints regarding the frauds committed by e-commerce companies;

(b) the number of complaints registered and number of complaints on which action has been taken during the last two years, State-wise;

(c) whether the Government proposes to constitute a regulatory authority to put a check on e-commerce companies and if so, the details thereof; and

(d) the steps being taken by the Government in this regard?

Answer

Minister of State in the Ministry of FINANCE (SHRI JAYANT SINHA)

(a) Yes, Sir. Complaints have been received against e-commerce companies.

(b)

Sl. No.	State	No. of complaints registered	No. of complaints on which action taken
1.	Maharashtra	07	07
2.	Karnataka	01	01
3.	Rajasthan	01	01

(c) & (d) Presently there is no proposal for a separate regulatory framework for e-commerce under consideration. Directorate of Enforcement conducts investigations under Foreign Exchange Management Act, 1999 (FEMA) and Prevention of Money Laundering Act, 2002 (PMLA). Such investigations are carried out as and when any credible information, including those relating to frauds committed by e-commerce companies, is received. Action under PMLA can be initiated in appropriate cases where a case of fraud by an e-commerce company is registered by some other Law Enforcement Agency. Keeping in view the increased number of online fraud/cheating cases, the Government has also initiated steps for incorporating sufficient provisions for protection of consumers of online shopping/e-commerce under Consumer protection Act, 1986.